

ADJUSTING JOURNAL ENTRIES

Adjusting Journal Entries are completed in the **General Ledger** module of RAVEN. This module enables the user to make adjustments to the bank's general ledger in order to present the inventory in a format consistent with the Division of Resolutions' marketing objectives. The bank's general ledger, after adjustments, is **Schedule 101** in the Information Package. Maintaining the adjusted General Ledger in balance with the subsidiary ledgers' detail verifies the completeness of the data captured and presented.

This demonstration will illustrate how to enter adjusting entries, create accounts, update the General Ledger and verify that the general and subsidiary ledgers are in balance.

Prior to demonstrating the adjusting entries, an overview of **Updating** is given.

A. Update

1. After making adjusting entries, the user **must** update the **FDIC General Ledger**.

2. Select **General Ledger / Update**

RAVEN displays the **General Ledger to Adjusted General Ledger Comparison** window and the **Bank's General Ledger/Adjusted General Ledger** window.

3. The **General Ledger** column in the **General Ledger to Adjusted General Ledger Comparison** window represents the original G/L the user input.
4. The **Adjusted General Ledger** column represents the G/L plus or minus any adjustments made to the accounts.
5. The **GL_debit** and **GL_credit** columns in the **Bank's General Ledger/Adjusted General Ledger** window are net numbers.
6. The user cannot make any adjustments in this window. It is a view window only.
7. The user can click in the **Bank's General Ledger/Adjusted General Ledger** window and then scroll through the window to view the net adjustments and the adjusted balances.

DEMONSTRATION

To make these adjusting entries, the user needs to add five accounts to the General Ledger.

A. Add General Ledger Accounts

1. **Bank Info / General Ledger / Input**
2. Select **Add**
3. Input
 - a) Bank's G/L Number: **"121000"** (Enter)
 - b) Bank's G/L Description: **"UST #092837462"** (Enter)
 - c) Bank's G/L Balance: **"0.00"**
 - d) Account Type: **"Asset"**
 - e) FDIC's G/L Description: **"U.S. Treasuries"**
4. Select **Save**
5. Input
 - a) Bank's G/L Number: **"121500"** (Enter)
 - b) Bank's G/L Description: **"USA #873572690"** (Enter)
 - c) Bank's G/L Balance: **"0.00"**
 - d) Account Type: **"Asset"**
 - e) FDIC's G/L Description: **"U.S. Agencies"**
6. Select **Save**
7. Input
 - a) Bank's G/L Number: **"192000"** (Enter)
 - b) Bank's G/L Description: **"Prepaid Insurance"** (Enter)
 - c) Bank's G/L Balance: **"0.00"**
 - d) Account Type: **"Asset"**
 - e) FDIC's G/L Description: **"Prepaid Expenses"**
8. Select **Save**

9. Input
 - a) Bank's G/L Number: **"192100"** (Enter)
 - b) Bank's G/L Description: **"Prepaid Maintenance"** (Enter)
 - c) Bank's G/L Balance: **"0.00"**
 - d) Account Type: **"Asset"**
 - e) FDIC's G/L Description: **"Prepaid Expenses"**
10. Select **Save**
11. Input
 - a) Bank's G/L Number: **"300000"** (Enter)
 - b) Bank's G/L Description: **"Res. For Loan Losses"** (Enter)
 - c) Bank's G/L Balance: **"0.00"**
 - d) Account Type: **"Equity"**
 - e) FDIC's G/L Description: **"Loan Loss Reserve"**
12. Select **Save**
13. Select **Stop**
14. Select **Exit**

B. Adding Adjusting Entries

1. **Bank Info / General Ledger / Adjusting Entries**
2. Select **Add**

NOTE:
RAVEN populates the Adjusting Journal Entry Number field with 1.

3. Type **"?"** (Enter)

RAVEN displays the **Bank's General Ledger Account Number** window.
4. Select: **121000, UST #092837462** (Enter or Click)

NOTE:

RAVEN fills in the Bank's G/L Description and the cursor moves to the Debit box.

5. Input **"1,500,000.00"** (in Debit box)

NOTE:

Commas are not necessary when inputting numbers. The cursor moves to the Credit box after the user inputs the cents.

6. (Enter) to bypass the **Credit** box
7. **Memo:** *"To separate different types of securities."* (Enter)
8. Select **Save**

NOTE:

RAVEN displays the input in the Adjusting Entry window. The radio button is to the left of Line Item, indicating the entry is not in balance.

9. Select **Add**

NOTE:

The Adjusting Journal Entry remains number 1 and the explanation remains in the Memo box.

10. **Bank's G/L #:** **"1"** (Enter)
11. Select *121500 USA #873572690* (Enter or Click)
12. **Debit:** **"2,703,385.65"**
13. (Enter) to bypass the **Credit** box
14. (Enter) to bypass the **Memo** box.
15. Select **Save**
16. Select **Add**
17. **Bank's G/L #:** **"141000"** (Enter)

18. (Enter) to bypass the **Debit** box
19. **Credit: “4,203,385.65”**
20. (Enter) to bypass the **Memo** box. The explanation for the adjustment is the same for both the debit and credit side of the entry so there is no need to input a new explanation.
21. Select **Save**

NOTE:

RAVEN displays the completed entry in the Adjusting Entry Window.

The radio button is to the left of Adjusting Entry.

If the entry is not in balance, the radio button remains next to Line Item.

22. Select **Add**

NOTE:

The Adjusting Entry Number is now 2. The Adjusting Entry window is clear.

23. **Bank’s G/L #: “159000”** (Enter)
24. **Debit: “1,460,755.84”**
25. (Enter) to bypass the **Credit** box
26. **Memo: “To place Loan Loss Reserves in the equity accounts.”** (Enter)
27. Select **Save**
28. Select **Exit**

RAVEN displays the following message in the **RAVEN Notes** window:

“Adjusting entry number 2 is out of balance. All adjusting entries MUST balance before you can exit. Continue”

29. Select **Continue**
30. Select **Add**
31. **Bank’s G/L #: “300000”** (Enter)

32. (Enter) to bypass the **Debit** box
33. **Credit: "1,460,755.84"**
34. (Enter) To bypass the **Memo** box.
35. Select **Save**
36. Select **Add** (Entry #3)
37. **Bank's G/L #: "192000"** (Enter)
38. **Debit: "234,429.58"**
39. (Enter) to bypass the **Credit** box
40. **Memo: "To separate the Prepaids from the rest of the Other Assets."** (Enter)
41. Select **Save**
42. Select **Add**
43. **Bank's G/L #: "192100"** (Enter)
44. **Debit: "110,200.58"**
45. (Enter) to bypass the **Credit** box
46. (Enter) To bypass the **Memo** box.
47. Select **Save**
48. Select **Add**
49. **Bank's G/L #: "191000"** (Enter)
50. (Enter) to bypass the **Debit** box
51. **Credit: "344,630.16"**
52. (Enter) To bypass the **Memo** box.
53. Select **Save**

54. Select **Exit**

C. Update the FDIC General Ledger

1. **General Ledger / Update**

2. **Adjusted General Ledger**

Assets:	93,426,074.63
Liabilities:	88,559,819.30
Equity:	4,866,255.33

3. Select **Exit**

4. Select **Main Menu**

D. Backing up RAVEN

1. Place a blank diskette in the A: drive of the computer

2. **Utilities / File Maintenance / Backup DBF Files**

If the disk is not blank and does not contain a previous backup file, RAVEN displays a **Disk Space Information** window. The user must decide if there is enough space on the disk to backup the files. However, the recommendation is to use a blank disk.

If the disk contains a previous backup, RAVEN displays the **Erase Confirmation** window indicating a backup file exists on the diskette and asks if the user wants to erase the file.

If the disk is clean, RAVEN displays the **Backup RAVEN Files** window listing the files as they are zipped.

3. Once the RAVEN files are zipped, the **Backup Confirmation** window is displayed asking "*Do you wish to backup the LOAD files also?*". It is a good idea to keep the LOAD files with the RAVEN files.

4. RAVEN returns the user to the **Utilities Menu** after completing the backup

5. Select **Main Menu**